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U. S. Department of Agriculture

Form No. CAC 1

United States Department of Agriculture
Agricultural Adjustment Administration

Division of Cotton

November ____, 1935

INSTRUCTIONS

This form to be executed in triplicate. The original to be sent to the State Cotton Board, one copy retained in the county office, and one copy delivered to the contract signer.

COTTON ADJUSTMENT CONTRACT FOR 1936-1939

(Pursuant to and in order to effectuate the purposes of the Agricultural Adjustment Act, approved May 12, 1933, as amended)

PART I. GENERAL PROVISIONS

Section 1. Offer of Contract Signer. -- The undersigned operator(s) (and landlord(s), if any) of the farm (hereinafter referred to as "this farm") described in section 13 herein (each of whom, whether operator or landlord, is referred to hereinafter as the "contract signer") hereby offer(s) to enter into a contract with the Secretary of Agriculture of the United States (hereinafter referred to as the "Secretary") upon the terms and conditions set forth in this Cotton Adjustment Contract for 1936-1939 (hereinafter referred to as the "contract").

Any and all administrative rulings and regulations heretofore and hereafter prescribed or approved by the Secretary relating to Cotton Adjustment Contracts for 1936-1939 (hereinafter referred to as "Cotton Rulings") are and shall be a part of the terms and conditions of this contract and shall be binding upon the contract signer as fully and effectively as if set forth herein in full.

The placing of the Secretary's acceptance of this offer in the regular course of mailing shall cause this offer to become a binding contract between the contract signer and the Secretary.

Sec. 2. Period of Contract. -- This contract shall be effective for the years 1936, 1937, 1938, and 1939 (hereinafter referred to as the "contract years") subject, however, to termination pursuant to section 3c or 10b or 10c or 11a herein or to termination or suspension as follows:

a. The contract signer may terminate this contract effective at the end of any contract year by executing and submitting to the Secretary, through the County Committee of the county in which this farm is located, not later than December 1 of such year, a notice of termination on a prescribed form.

b. The Secretary may suspend the operation of this contract with respect to any contract year by proclamation made not later than November 15 of the preceding year. Unless terminated by the contract

signer or the Secretary pursuant to section 2a, 2c, 3c, 10b, 10c, or 11 herein or unless further suspended by the Secretary in accordance with this section 2b, this contract shall remain in full force and effect during the remainder of the period of the contract following the year or years with respect to which it may be suspended.

c. The Secretary may terminate this contract effective at the end of any contract year by proclamation made not later than December 15 of such year.

d. If this contract is terminated or suspended pursuant to any of the provisions of this contract the Secretary shall not be obligated to make any payment under this contract for any contract year which succeeds the effective date of such termination or during which the contract is suspended, but, subject to applicable Cotton Rulings, upon proof satisfactory to the Secretary of full performance of all the terms and conditions of this contract with respect to any contract year which precedes the effective date of such termination or suspension, payments shall be made, subject to the provisions of section 11 and applicable Cotton Rulings, for each such preceding contract year.

PART II. PERFORMANCE BY THE CONTRACT SIGNER

THE CONTRACT SIGNER AGREES:

Sec. 3. Acreage Adjustment. -- a. To adjust the cotton acreage on this farm in 1936 by planting to cotton on this farm not more than the number of acres stipulated in item e of section 14 herein, which number of acres so stipulated shall (except as provided in Cotton Rulings) be not more than 70 percent nor less than 55 percent of the base cotton acreage for this farm stated in item c of section 14 herein.

b. To adjust the cotton acreage on this farm in each subsequent contract year by planting to cotton on this farm in such year not more than the number of acres which equals that percentage of said base cotton acreage prescribed by the Secretary not later than November 15 of the preceding year.

c. That (except as provided in Cotton Rulings) if in any contract year the acreage planted to cotton on this farm is less than 50 percent of the acreage stipulated in item c of section 14 herein (or in the applicable document supplementary to this contract) as the acreage which may be planted to cotton under this contract in such year this contract shall be terminated and no payment shall be made hereunder with respect to such year or thereafter.

Sec. 4. Number and Acreage of Share Tenants and Share Croppers. --

Not to reduce in any contract year, except as provided in Cotton Rulings, (a) the number of share tenants and/or share croppers engaged in the production of cotton on this farm below the number so engaged in the immediately preceding year or (b) the percentage of the total acreage planted to cotton on this farm which is planted by share tenants and/or share croppers below the percentage of the total acreage planted to cotton on

this farm which was planted by share tenants and/or share croppers in the immediately preceding year.

Sec. 5. Control of Other Farms and Other Crops. -- a. That no cotton shall be planted in any contract year on land owned, operated, or controlled by him unless such land is covered by a Cotton Adjustment Contract for 1936-1939, except as provided in Cotton Rulings.

b. That the acreage planted on this farm in any contract year to tobacco, peanuts, or rice, respectively, for sale shall not exceed the acreage thereof so planted in 1934 or 1935, whichever is greater, except as may be permitted under a contract with the Secretary.

Sec. 6. Use of Adjusted Acreage and Other Land. -- To use on this farm in each contract year in which the contract is operative, for soil-improving or erosion-preventing crops, pasture, fallow, forest trees, and such other purposes as the Secretary may prescribe, an acreage not less than the normal acreage devoted to such uses on this farm plus an acreage equal to the total of the adjusted acreage under this and all other contracts with the Secretary with respect to this farm, except that as may be provided in Cotton Rulings the adjusted acreage of this farm under this contract may be used for the production of food crops for consumption on this farm or feed crops for the maintenance or production of livestock or livestock products for use or consumption on this farm.

Sec. 7. Access to Farm and Records. -- To permit the Secretary or any authorized agent of the Secretary (including, as used in this section, County Cotton Adjustment Association Committeemen and Compliance Supervisors), for the purposes of investigating the accuracy of the representations made in and in connection with this contract and the performance by the contract signer of the terms and conditions of this contract, to enter this farm (and any other land owned, operated, or controlled by the contract signer) at any reasonable time in order to measure the acreage or determine the production of any agricultural commodity to which this contract is applicable, and to examine any records (regardless of where located and whether in the hands of the contract signer or of any other person or agency; and the contract signer hereby authorizes any such person or agency to permit such examination) pertaining to this farm or to the acreage, production, or sale by the contract signer of any such commodity, and agrees to furnish such information relating to this farm as may be requested by the Secretary or such authorized agent.

Sec. 8. Transfer of Interest in Payments. -- Not to sell, pledge, transfer, or assign in whole or in part this contract or his right to or claim for any payment under this contract and not to execute any power of attorney to collect any such payment. Any purported sale, pledge, transfer, or assignment of any payment to be made under this contract, any power of attorney executed with respect to any such payment, or, except as is provided in this section, any order to pay such payment to any person other than the person to whom such payment is allocated pursuant to section 9 herein, shall be null and void. However, the operator, in section 15 herein (or in the prescribed supplementary document applicable to the pertinent contract year subsequent to 1936), (and likewise, if this contract is signed by a share tenant operating the

entire farm and his landlord, the landlord, in section 16 herein or in the prescribed supplementary document applicable to the pertinent contract year subsequent to 1936) may designate, as joint payee with him of the check or checks representing the payment which, pursuant to section 9 herein, may be made to him as the operator's share (or the landlord's share, as the case may be), a person who has furnished or has undertaken to furnish funds or credit for the purpose of carrying on the current operation of this farm for such year; and any share tenant or share cropper entitled to share in cotton produced in any contract year on this farm or in the proceeds thereof may, on a form prescribed by the Secretary (if such form is prescribed for such year) and submitted to the Secretary prior to or at the time of certification of compliance for such year, designate, as joint payee with him of the check or checks representing the payment which, pursuant to section 9 herein, may be made to such tenant or cropper, a person who has furnished to him funds, credit, supplies, or services necessary to enable him to carry on the current operation of the producer unit operated by him during such year.

PART III. PERFORMANCE BY THE SECRETARY

THE SECRETARY, FOR AND ON BEHALF OF THE UNITED STATES, AGREES:

Sec. 9. Adjustment Payments. -- As consideration for complete performance by the contract signer of all the terms and conditions of this contract and upon receiving such proof of compliance with the terms and conditions of this contract as the Secretary may require, to make the following payments for the benefit respectively of the contract signer and each of any share tenants and/or share croppers entitled to share in any cotton produced on this farm in the contract year with respect to which each such payment is made:

a. Amount of Payment.

1. The adjustment payment for 1936 shall be made, as soon as practicable after proof of compliance with the terms and conditions of this contract, in one installment of not less than 5 cents per pound on the number of pounds determined by multiplying the "yield of lint cotton per acre" stipulated in item a of section 14 herein by the "acreage to be withheld from planting of cotton in 1936" stipulated in item d of section 14 herein and shall be paid in the manner provided in section 9b herein.

2. The adjustment payment for each contract year subsequent to 1936 for which in accordance with section 3b herein the Secretary prescribes any adjustment in the acreage to be planted to cotton on this farm shall be made at such rate and at such time or times as the Secretary shall determine and announce at a date not later than November 15 of the preceding contract year and, unless on or before such date the Secretary shall announce a different manner of payment, shall be paid in the manner stipulated in section 9b herein.

b. Manner of Payment.

1. If, in any contract year, the operator is the sole person entitled to the cotton produced on this farm or the proceeds thereof, the check for any payment under this contract with respect to such year shall be drawn payable to the operator unless the operator, in section 15 herein (or in the prescribed supplementary document applicable to the pertinent contract year subsequent to 1936), designates a joint payee of such check, in which case the check shall be drawn payable jointly to the operator and the designated joint payee.

2. If, in any contract year, two or more persons are entitled under a lease or rental or cropping agreement to share in the cotton produced on any producer unit 1/ of this farm or the proceeds thereof, payment hereunder with respect to such year shall be made as follows:

The operator shall furnish to the Secretary on a prescribed form, prior to or at the time of certification of compliance, a certificate of the facts necessary to enable the Secretary to allocate to each producer unit its share of the adjustment payment under this contract and to allocate to each person so entitled to share in the cotton produced thereon, or the proceeds thereof, a share of such payment upon the following basis:

37-1/2 percent to the person(s) furnishing the land in the producer unit,

12-1/2 percent to the person(s) furnishing the workstock and equipment for the producer unit,

50 percent to be divided between the interested persons in the proportion that such persons share in either the cotton produced on the producer unit or the proceeds thereof.

If, in any contract year, there are two or more producer units on this farm the adjustment payment hereunder with respect to such year shall be apportioned pursuant to Cotton Rulings to each such unit on the basis of the ratio which the usual production of cotton on such unit (determined by multiplying the number of acres planted to cotton on such

1/ The term "producer unit" means any tract of land (whether a whole farm or a subdivision thereof) on which cotton is planted and which is operated by (1) landowner, cash tenant, or standing-rent (or fixed-rent) tenant, with his own labor or with hired labor other than share croppers, or (2) a share tenant without the aid of any share cropper, or (3) a share cropper.

unit in such year by the average yield of lint cotton per acre for land of similar productivity to that so planted to cotton on such unit) bears to the usual production of cotton on this farm (determined by totaling such production for all the producer units on which cotton is planted on this farm in such year). Such payment so apportioned shall then be allocated, as provided above in this section 9b, to the persons entitled to share in the cotton produced on each such unit or the proceeds thereof.

Payment of the amounts so allocated shall be made in the following manner:

- i. In case the operator is a share tenant operating the entire farm, the share of the landlord shall be paid by check drawn payable to the landlord unless the landlord, in section 16 herein (or in the prescribed supplementary document applicable to the pertinent contract year subsequent to 1936), designates a joint payee of such check in which case such check shall be drawn payable jointly to the landlord and the designated joint payee.
- ii. The share of the operator shall be paid by check drawn payable to the operator unless the operator, in section 15 herein (or in the prescribed supplementary document applicable to the pertinent contract year subsequent to 1936), designates a joint payee of such check in which case such check shall be drawn payable jointly to the operator and the designated joint payee.
- iii. The share of any share tenant or share cropper shall be paid by check drawn payable to such tenant or cropper unless, prior to or at the time of certification of compliance herewith, the tenant or cropper, on a form prescribed by the Secretary (if such form is prescribed for such year), designates a joint payee of such check pursuant to section 8 herein in which case such check shall be drawn payable jointly to the tenant or cropper and the designated joint payee.

If the operator, landlord, or any share tenant or share cropper, becomes entitled either individually or with the same designated joint payee to receive payments hereunder with respect to more than one producer unit, the total amount such person is entitled to receive may be paid by one check at the option of the Secretary.

Sec. 10. Persons to Whom Payments Will be Made. -- All payments under this contract shall be made only to the persons entitled under section 9 herein to receive payments, except as provided in this section 10.

a. Death, Disappearance, or Incompetency. -- In case any contract signer (1) dies, or (2) disappears and fails to make claim for his share of any payment to be made under this contract within three months after such payment has been administratively approved, or (3) is declared incompetent by a court of competent jurisdiction, payments which at the time of any such contingency such contract signer individually or jointly with the joint payee designated by him pursuant to Section 8 hereof would have been entitled to receive by reason of performance by the contract signer of all the terms and conditions of this contract prerequisite to such payments shall, upon proof of such performance, be made to the beneficiary named by such contract signer hereunder unless such contract signer shall have designated a joint payee pursuant to section 8 hereof, in which case such payments shall be made jointly to such beneficiary and the joint payee so designated and such beneficiary and joint payee respectively shall have the same rights in and to such payments as such contract signer and such joint payee would have had if such contingency had not occurred.

b. Attachment, Garnishment, or Other Legal Process. -- In case any attempt is made, by means of garnishment, attachment, execution or any other legal process or proceeding, to reach or divert any payment to be made hereunder from the person or persons to whom such payments are to be made pursuant to the terms of this contract, the Secretary may terminate this contract or may suspend all payments which such person or persons would otherwise be entitled to receive hereunder until such time as such person or persons can receive payment free from any legal process or proceeding.

c. Bankruptcy. -- In the event that the contract signer is involved in bankruptcy or insolvency proceedings, the Secretary may terminate this contract.

In the event of termination under this section 10 as to any contract signer no payment shall be made under this contract of any amount which, under section 9b herein, such contract signer, or his beneficiary named hereunder, individually or jointly with a joint payee designated hereunder, or any share tenant or share cropper, individually or jointly with a joint payee designated hereunder, would otherwise be entitled to receive hereunder, but no such contract signer, beneficiary, share tenant or share cropper, or joint payee, shall, by reason of such termination, be liable to return to the Secretary any payments already made to him unless there has been noncompliance with any of the terms and conditions of this contract.

When the Secretary has determined the existence or nonexistence of a circumstance in the event of which payment is to be made to the contract signer or his beneficiary named hereunder, individually or jointly with a joint payee designated hereunder, or to any share tenant or share cropper individually or jointly with a joint payee designated

hereunder, and has made payment in accordance with such determination, the obligation of the Secretary with respect to the payment so made shall be discharged thereby and thereafter no person whatsoever shall have any right against the Secretary or the United States with respect thereto based upon or derived from this contract.

PART IV. FURTHER AGREEMENTS AND CONDITIONS

Sec. 11. Noncompliance and Termination.-- Without limitation of any right or remedy of the Secretary conferred by law or this contract, if the Secretary determines (and his determination shall be final and bind all parties hereto) that there has been a material misstatement in any of the statements made by any contract signer in or in connection with this contract, or that any contract signer has failed or is unable to perform fully any term or condition of this contract or of any applicable Cotton Ruling (each and all of such contingencies being referred to in and in connection with this contract as "noncompliance"), such contract signer shall have the following obligations and the Secretary shall have any one or more of the following remedies:

a. Contract Signer's Obligation to Repay. -- Upon demand in writing by the Secretary or his authorized agent, such contract signer shall repay to the Secretary an amount equal to all or such portions as the Secretary may require of the payments made under this contract either to such contract signer or to such other person as may have received payments or a portion thereof under this contract, except such payments made for any contract year or years prior to the year in which such noncompliance occurred. This obligation of the contract signer shall exist and continue until fully discharged irrespective of the termination of this contract as provided hereinbelow.

b. Secretary's Rights and Remedies. -- (1) The Secretary shall be entitled to terminate this contract and in case of such termination no adjustment payment shall be made under this contract for the contract year in which such noncompliance occurred. Such termination shall not, however, affect the obligation of such contract signer under subsection a of this section. (2) Without terminating this contract, the Secretary may elect to make no adjustment payment for the year in which the noncompliance occurred and may require such contract signer to refund to him an amount equal to all or any portion of the payments made hereunder to or for the benefit of such contract signer or any other person for the year in which the noncompliance occurred and any succeeding year or years, or may deduct such amount from any payments subsequently becoming due under this contract and may suspend all further payments under this contract until every such deduction or refund is made. (3) The Secretary shall have the right to require the contract signer to make disposition, in such manner as the Secretary shall direct, of any cotton planted or produced on this farm in any contract year on any acreage in excess of that which under this contract may be planted to cotton on this farm for such contract year. Any disposition of any such excess cotton in any manner other than as may be specified by the Secretary pursuant to this contract shall constitute noncompliance in addition to any other noncompliance that may have occurred in connection with this contract.

Sec. 12. Supplementary Documents. -- The contract signer shall seasonably execute and file for each contract year such documents supplementary to this contract as are prescribed by the Secretary as necessary in the administration of the Cotton Adjustment Program for 1936-1939.

State County 2/ State and County Code and
Contract Serial Numbers

PART V. TENURE OF CONTRACT SIGNER AND DESCRIPTION OF FARM

Sec. 13. The operator whose name and address appear in section 15 of this contract represents that as the _____
(Conform to footnote 3)

he will in 1936 be engaged in operating and in producing cotton upon the farm covered by this contract consisting of _____ acres (a) situated

_____ from _____ on _____ road
(Miles and direction) (Town)

in _____ township, ward, beat, or district of
_____ County 2/, State of _____.

_____ OR _____

(b) described as the _____ of section _____, township
_____, range _____, situated

_____ from _____
(Miles and direction) (Town)

in _____ County 2/, State of _____.

2/ For the State of Louisiana the word "county" shall be read "parish".

3/ Insert owner or cash tenant or standing-rent tenant or fixed-rent tenant or share tenant operating entire farm, whichever is applicable.

(Instruction to Printer. -- Print in bold-face the words underscored in this footnote.)

PART VI. BASIS FOR DETERMINING ADJUSTMENT IN ACREAGE
AND FOR MAKING PAYMENTS IN 1936

Sec. 14. Contract Basic Data and Adjustment for 1936. -- The contract signer(s) represent(s) and agree(s) that for this farm, under the Cotton Rulings applicable to this farm, the basic data for the entire term of this contract and the adjustment in cotton acreage which he (they) will make on this farm in 1936 are:

- a. Yield of lint cotton per acre _____ pounds.
- b. Base cotton production _____ pounds.
(Item c times item a)
- c. Base cotton acreage _____ acres
- d. Acreage to be withheld from planting _____ acres.
of cotton in 1936 4/
- e. Acreage which may be planted to cotton _____ acres.
in 1936 (item c minus item d)

4/ Shall not be less than 30 percent nor more than 45 percent of the base cotton acreage, item c in this section, except as provided in Cotton Rulings.

PART VII. SIGNATURES AND DESIGNATION OF BENEFICIARY
(AND JOINT PAYEE, IF ANY)

Each contract signer designates below his beneficiary to receive pursuant to and subject to section 10a of this contract his respective share of the adjustment payment payable for 1936 if any of the contingencies listed therein occur.

In witness of all the representations and agreements contained in this contract each contract signer has executed this contract on the date indicated opposite his signature.

Sec. 15. Operator's Name, Address, Beneficiary, Signature, and Designation of Joint Payee if Any.

- a. _____
Name of beneficiary Rural route, Box No., and State
(Printed or typewritten) post office
- b. _____
Name of operator - same as signature below Rural route, Box No., and State
(Printed or typewritten) post office
- c. _____, 1936. (SEAL)
Signature of witness Date Signature of operator

The undersigned operator's share of the adjustment payment for 1936 payable under this contract shall pursuant to sections 8 and 9 herein be paid by check drawn payable jointly to the undersigned operator and to:

d. _____
Name of joint payee Rural route, Box No., and State
(Printed or typewritten) post office

e. _____, 1936. _____ (SEAL)
Signature of witness Date Signature of operator -
same as above

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Sec. 16. Landlord's Name, Address, Beneficiary, Signature, and
Designation of Joint Payee if Any.

(Filled in only if farm is operated in
entirety by a share tenant)

a. _____
Name of beneficiary Rural route, Box No., and State
(Printed or typewritten) post office

b. _____
Name of landlord - same as signa- Rural route, Box No., and State
ture below post office
(Printed or typewritten)

c. _____, 1936. _____ (SEAL)
Signature of witness Date Signature of landlord

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The undersigned landlord's share of the adjustment payment for 1936 payable under this contract shall pursuant to sections 8 and 9 herein be paid by check drawn payable jointly to the undersigned landlord and to:

d. _____
Name of joint payee Rural route, Box No., and State
(Printed or typewritten) post office

e. _____, 1936. _____ (SEAL)
Signature of witness Date Signature of landlord -
same as above

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ANY INTENTIONAL MISREPRESENTATION OF FACT MADE IN OR IN CONNECTION
WITH THIS CONTRACT FOR THE PURPOSE OF DEFRAUDING THE UNITED STATES
WILL BE SUBJECT TO THE CRIMINAL PROVISIONS OF THE UNITED STATES
CODE.

PART VIII. CERTIFICATION BY COMMUNITY COMMITTEEMAN AND COUNTY
COMMITTEE AND APPROVAL BY COUNTY AGENT

I HEREBY CERTIFY that I am personally familiar with the farm covered by this contract offer and that the figures therein have been determined in accordance with the Cotton Rulings and that the representations made therein are correct to the best of my knowledge and belief.

_____, 1936. (Signed) _____
Date Community Committeeman

WE HEREBY CERTIFY that the figures in the foregoing contract offer have been determined in accordance with the Cotton Rulings and that to the best of our information and belief the representations made therein and in connection therewith are correct and we recommend that the Secretary enter into a Cotton Adjustment Contract for 1936-1939 with the contract signer(s) on the basis of the facts set forth therein.

_____, 1936. (Signed) _____
Date

Approved:

County Agent

County Committee